

# State of South Dakota

SEVENTY-SIXTH SESSION  
LEGISLATIVE ASSEMBLY, 2001

885E0728

## SENATE BILL NO. 251

Introduced by: Senators de Hueck and Moore and Representatives Kooistra, Elliott,  
Garnos, Kloucek, and Lange

1 FOR AN ACT ENTITLED, An Act to provide benefit improvements for the members of the  
2 South Dakota Retirement System.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 3-12-91 be amended to read as follows:

5 3-12-91. Upon retirement, a member shall receive a normal retirement allowance,  
6 commencing at normal retirement age or thereafter as provided in § 3-12-90, for Class A  
7 credited service, equal to the larger of ~~1.625%~~ 1.675% of final compensation for each year of  
8 Class A credited service before July 1, 2002, plus 1.3% of final compensation for each year of  
9 Class A credited service after July 1, 2002, or ~~2.325%~~ 2.375% of final compensation for each  
10 year of Class A credited service before July 1, 2002, plus 2.0% of final compensation for each  
11 year of Class A credited service after July 1, 2002, less other public benefits. For purposes of this  
12 section, federal military retirement or federal national guard retirement benefits are not other  
13 public benefits. Class A credited service includes all credited service under this or any of the  
14 retirement systems consolidated pursuant to § 3-12-46.

15 Section 2. That § 3-12-92 be amended to read as follows:

1        3-12-92. Upon retirement, a member shall receive a normal retirement allowance,  
2        commencing at normal retirement age or thereafter as provided in § 3-12-90, for Class B  
3        credited service other than as a justice, judge, or magistrate judge, equal to ~~2.325%~~ 2.375% of  
4        final compensation for each year of Class B credited service other than as a justice, judge, or  
5        magistrate judge before July 1, 2002, plus 2.0% of final compensation for each year of Class B  
6        credited service other than as a justice, judge, or magistrate judge after July 1, 2002.

7        Section 3. That § 3-12-92.4 be amended to read as follows:

8        3-12-92.4. Upon retirement, a member shall receive a normal retirement allowance,  
9        commencing at normal retirement age or thereafter as provided in § 3-12-90, for the first fifteen  
10       years of Class B credited service as a justice, judge, or magistrate judge equal to ~~3.658%~~ 3.708%  
11       of final compensation for each year of Class B credited service as a justice, judge, or magistrate  
12       judge before July 1, 2002, plus ~~3.333%~~ 3.383% of final compensation for each year of Class B  
13       credited service as a justice, judge, or magistrate judge after July 1, 2002. A member shall also  
14       receive for Class B credited service as a justice, judge, or magistrate judge in excess of fifteen  
15       years, ~~2.325%~~ 2.375% of final compensation for each year of Class B credited service as a  
16       justice, judge, or magistrate judge before July 1, 2002, plus 2.0% of final compensation for each  
17       year of Class B credited service as a justice, judge, or magistrate judge after July 1, 2002.

18       Section 4. That § 3-12-92.6 be amended to read as follows:

19       3-12-92.6. Each member who retired prior to July 1, ~~2000~~ 2001, and each beneficiary of a  
20       deceased member who retired prior to July 1, ~~2000~~ 2001, shall receive a retirement allowance  
21       based on the provisions of § 3-12-91, 3-12-92, or 3-12-92.4 as applicable based on the member's  
22       final compensation, credited service, and other public benefits at retirement and the benefit  
23       formulas in §§ 3-12-91, 3-12-92, and 3-12-92.4 when improved by the improvement factor from  
24       the date of retirement to July 1, ~~2000~~ 2001.

1 Increased benefits as provided by any amendment to this section are prospective in nature  
2 and are effective July 1, ~~2000~~ 2001.

3 Each member or beneficiary of a member who retired prior to July 1, 1974, who is receiving  
4 benefits pursuant to § 3-12-126 or each member or beneficiary of a member who elected to retire  
5 pursuant to § 3-12-127, shall have a benefit increased by an additional 2.0% as of July 1, ~~2000~~  
6 2001, in lieu of the increase provided in this section.

7 If a member retired prior to normal retirement age, the allowance shall be adjusted in  
8 accordance with the law in effect at the time of retirement. If a member elected an alternate  
9 method of payment under the law in effect at the time of retirement, the allowance shall be  
10 adjusted in accordance with the law in effect at the time of retirement. If the additional allowance  
11 is to be paid to a beneficiary of a deceased member, the additional allowance shall be adjusted  
12 in accordance with the law in effect at the time of the member's retirement.

13 No member or beneficiary whose retirement allowance terminated prior to July 1, ~~2000~~ 2001,  
14 may receive any benefits pursuant to this section.